(c) whether it is a fact that a major share of the profit earned by IOC is generated through its retail outlets in the country and abroad; and

(d) if so, the year-wise details of the total profit of IOC alongwith the separate details of the income generated through its retail outlets during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATISUMITRAMAHAJAN): (a) The Indian Oil Corporation Limited (IOC) had 8,034 retail outlets in the country as on 31.3.2003. IOC has no retail outlet outside India on its own. However, IOC is carrying out retail operations in Sri Lanka through its subsidiary company *viz* M/s Lanka IOC Pvt. Ltd. (formed during 2002-2003). 114 retail outlets are being operated in Sri Lanka by the subsidiary company.

(b) Expenditure on setting up of a retail outlet varies from outlet to outlet, depending on various factors like the cost of land, the facilities to be attached to the outlet etc. The cumulative capital expenditure incurred by IOC for setting up of retail outlets was Rs. 2,430.45 crore as on 31.3.2003.

(c) and (d) The profits after tax earned by the IOC during the last three years are as under:-

Year	Profit earned (Rupees in crore)
2000-01	2,720
2001-02	2,885
2002-03	6,115

The IOC has no system for arriving at the profit earned through retail outlets separately.

Penalties for diversion of LPG cylinders

2269. SHRI LALIT SURI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to the answer to Unstarred Question 1736 given in the Rajya Sabha on 5th August, 2003 and state:

(a) whether the malpractice of diversion of domestic LPG cylinders for commercial purpose in metropolitan cities continues unabated as penal provision for such misuse is not a deterrent;

(b) if so, whether Government propose to re-look into the matter so as to prescribe deterrent penalties for such misuse; and

(c) by when the exercise is likely to be completed and intimated to concerned authorities and gas companies?

THE MINISTER OF STATE **IN** THE MINISTRY **OF PETROLEUM** AND NATURAL GAS (SHRIMATI SUMITRAMAHAJAN): (a) to (c) Some incidents of diversion of domestic LPG cylinders for commercial purpose in metropolitan cities have come to the notice of the Government. Following measures are being taken to prevent the diversion of domestic LPG cylinders for commercial purpose:-

(i) Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000 under the Essential Commodities Act, 1995 has been promulgated. As per this Order, diversion of domestic LPG cylinders for commercial purpose by the distributors of Public Sector Oil Marketing Companies (OMCs) is prohibited Such offence is punishable with imprisonment from 3 months to 7 years under the Essential Commodities Act.

(ii) State Governments are empowered to take action against the erring distributors under the provisions of the above order.

(iii) Marketing Discipline Guidelines (MDG) for LPG distributors of OMCs have been laid down by the Government in April, 2001. According to these guidelines, in case of establishment of any diversion of domestic LPG cylinder for commercial purpose, a fine of Rs. 20,000 and recovery of differential in retail selling price of domestic & commercial LPG for 1 st offence, Rs. 50,000 and recovery of differential in retail selling price of domestic & commercial LPG for 2nd offence, and termination for 3rd offence, against the distributor is imposed.

(iv) LPG distributors of OMCs are under strict instructions to not to supply domestic cylinders for commercial purpose. The officials of OMCs carry out random checks at distributor's godown, delivery point as well as enroute to ensure that no such diversion takes place. On the establishment of any complaint of diversion, action against the erring distributor is taken in terms of MDG and/or Distributorship Agreement.